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PUBLIC SAFETY COMMITTEE REPORT relative to establishing a non-compliance penalty fee for businesses that fail to submit a hazardous materials business plan.

Recommendations for Council action:

1. APPROVE the Los Angeles Fire Department's (LAFD) report of February 13, 2018 relative to establishing a non-compliance penalty fee for businesses that fail to submit a hazardous materials business plan.
2. REQUEST the City Attorney to prepare and present an Ordinance within 30 days to amend Los Angeles Municipal Code (LAMC), Section 57.121, creating a late submittal and non-compliance penalty for failure to submit hazardous materials business plan to be paid by handlers of hazardous materials that submit their plans after the submission period.

Fiscal Impact Statement: The LAFD reports that approval of this proposed amendment will create projected additional revenue of \$900,720.00. The penalty amount has been determined by utilizing the current noncompliance fee established in LAMC, Section 104.12.1.1. The established noncompliance fee is based on a two hour minimum at the Inspector's current hourly rate. Based on the current adopted fee schedule, the Inspector's hourly rate has been established at \$216.00. Although the Certified Unified Program Agency Section will not utilize the inspection procedures outlined in LAMC, Section 104.12.1.1, establishing the noncompliance penalty in accordance with established noncompliance fee in LAMC, Section 104.12.1.1 will provide continuity. Calculated revenue will fluctuate on a year to year basis based on the number of businesses that fail to report their annual hazardous materials business plan on California Environmental Reporting System.

Community Impact Statement: None submitted.

SUMMARY

At the meeting held on May 9, 2018, your Public Safety Committee considered a Board of Fire Commissioners (Board) report relative to establishing a non-compliance penalty fee for businesses that fail to submit a hazardous materials business plan. The Board that as the Certified Unified Program Agency (CUPA) for the Los Angeles Fire Department, it is mandated to require reporting of an annual hazardous materials business plan (HMBP) from regulated facilities through the California Environmental Reporting System. Failure of business to submit an HMBP results in the CUPA acquiring deficiencies during its state performance evaluations.

It is proposed that an ordinance is established to create a penalty fee for CUPA regulated businesses that do not submit their annual HMBP to the CUPA within the established reporting period. Establishing this proposed ordinance will increase compliance with the annual HMBP reporting requirement. After an opportunity for public comment was held, the Committee moved to approve the Board's recommendations, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

PUBLIC SAFETY COMMITTEE

A handwritten signature in black ink, appearing to be 'A. E.', written in a cursive style.

<u>MEMBER</u>	<u>VOTE</u>
ENGLANDER:	YES
O'FARRELL:	YES
BUSCAINO:	YES
RYU:	YES
RODRIGUEZ:	ABSENT

ME
5/9/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-